

Regular Session, February 7, 2011, 9:30 a.m.
Catawba County Board of Commissioners

Appointments

Catawba Valley Medical Center Board of Trustees	32	02/07/11
Criminal partnership Advisory Board	32	02/07/11
Western Piedmont Water Resources Committee	32	02/07/11

Awards

Distinguished Public Service Award – Ray Warren	32	02/07/11
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Board of Commissioners

Summary of 2009/10 Goals Performance	35	02/07/11
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Closed Session

To discuss matters relating to the location or expansion of industries	37	02/07/11
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Economic Development Corporation

Economic Incentives – Sarstedt	34	02/07/11
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Emergency Services

Department of Homeland Security (DHS) Grant	33	02/07/11
Assistant Secretary for Preparedness and Response (ASPR) Grant	34	02/07/11

Human Resources

Amendment to Personnel Code – Family and Medical Leave Act (FLMA) (Will require a second reading)	33	02/07/11
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Ordinance

Amendment to Personnel Code – Family and Medical Leave Act (FLMA) (Will require a second reading)	33	02/07/11
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Presentations

Program for All-Inclusive Care for the Elderly (PACE)	32	02/07/11
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Public Health

Acceptance of PHER Grant	32	02/07/11
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The Catawba County Board of Commissioners met in regular session on Monday, February 7, 2011 at 9:30 a.m. in the Robert E. Hibbitts Meeting Room of the 1924 Courthouse, 30 North College Avenue, Newton, North Carolina.

Present were Chair Katherine W. Barnes, Vice-Chair Lynn M. Lail and Commissioners Barbara G. Beatty and Randy Isenhower. Commissioner Dan Hunsucker was absent.

Also present were Assistant County Manager Lee Worsley, Assistant County Manager Dewey Harris, County Attorney Debra Bechtel, Deputy County Attorney Anne Marie Pease and County Clerk Barbara Morris. County Manager J. Thomas Lundy was absent.

1. Chair Katherine W. Barnes called the meeting to order at 9:35 a.m. Chair Barnes noted that Commissioner Dan Hunsucker and County Manager J. Thomas Lundy were absent from this meeting.
2. Commissioner Randy Isenhower led the Pledge of Allegiance to the Flag.

3. Chair Barnes offered the invocation.
4. Vice-Chair Lynn M. Lail made a motion to approve the minutes of the Regular Meeting of January 18, 2011. The motion carried unanimously.
5. Recognition of Special Guests: Chair Barnes welcomed all present.
6. Public Comments for Items Not on the Agenda: None.
7. Presentations:
 - a. All the Board members came forward and presented a Distinguished Public Service Award to retired North Carolina Representative Ray Warren, recognizing Mr. Warren's effective work with the Board and County staff to identify and pursue legislation that addressed issues of great importance to the County and expressing the Board's appreciation for his sustained public service. Mr. Warren thanked the Board for the recognition and stated he had been honored to serve Catawba County.
 - b. The Board heard a presentation from representatives of Palliative Carecenter & Hospice of Catawba Valley on a new federally funded Program for All-Inclusive Care for the Elderly, or PACE. Palliative Carecenter & Hospice of Catawba Valley President Dave Clarke, Vice-President of Clinical Services Michelle Roseman and Executive Director of Adult Life Program Jane Rollins described the program that will address the needs of elderly individuals who want to remain in the community and receive home and community-based services, by providing care and services five days a week to people who would otherwise need nursing home care. Hospice, Lutheran Services for the Aging, Adult Life Programs and Catawba Valley Medical Center are working together to provide these service in a central location, which will be located in the old Dale Jarrett Inc. facility on Highway 70. Vice-Chair Lail commended them for their efforts in developing this project and noted the economic development affect the project would have on the community in the jobs it will create and the monies spent utilizing local vendors. Chair Barnes praised the effort, noting the County's demographics pointed toward an increasing need for this type of facility for a continuum of care.
8. Appointments:

Commissioner Barbara Beatty and the Catawba Valley Medical Center Board of Trustees recommended the appointment of Jay Reardon to the Catawba Valley Medical Center Board of Trustees for an unexpired term to fill the vacancy due to the death of Gary Laws. This term will expire on December 31, 2011. Chair Barnes recommended the appointment of Kevin Miller for an unexpired term on the Criminal Partnership Advisory Board to replace Janet Crump who retired. Mr. Miller's term will expire on June 30, 2011. Chair Barnes also recommended the reappointment of Ronn Abernathy for a third term, Debra Bechtel for a fifth term and Nathan Poovey for a fourth term on the Criminal Partnership Advisory Board. These terms will expire on June 30, 2013. Chair Barnes recommended the appointment of Ed Neill for a first term as representative for Catawba County and Susan Ballbach for a first term as alternate representative to the Western Piedmont Water Resources Committee. These terms will expire on January 1, 2013. These recommendations came in the form of a motion and unanimously carried.
9. Consent Agenda:

Assistant County Manager Lee Worsley presented the following four items on the consent agenda:

 - a. A request for the Board to accept an additional \$80,000 from a U.S. Centers for Disease Control and Prevention (CDC) H1N1/Public Health Emergency Response (PHER) grant. Since the spring of 2009, Public Health has worked to assist in educating the public and providing information to assist in reducing the spread of influenza. Public Health continues to respond by providing the most current information to citizens and partnering with other providers to meet vaccination and other needs of the community. In light of the threat a pandemic poses to the nation's public health and security, Congress appropriated funding in 2009 for the Public Health and Social Services Emergency Fund to prepare for and respond to an influenza pandemic. On August 27, 2010, the CDC approved an extension of PHER grant funds until July 30, 2011. This extension authorizes states to use their unexpended PHER grant funds to assure that state and local pandemic influenza

planning, response and administrative activities are completed in a manner consistent with previously issued CDC guidance. The State of North Carolina will continue to support state, regional, and local mass vaccination and public health responses to the current pandemic or outbreaks of other avian, swine and human pandemic influenza viruses. Public Health has used this funding to provide financial resources for implementing a mass vaccination campaign and related H1N1/pandemic-outbreak response activities, and support revision and expansion of pandemic influenza plans to enable Public Health to rapidly detect and respond to further pandemic influenza outbreaks. No County funds will be used in these purchases. The acceptance of the \$80,000 grant will allow some funds previously expended for hourly staff to be recovered and used for hourly staff needed at a later time and provide for community education and collaboration, epidemiological consultation services, staff time dedicated to the review and updating of preparedness plans, equipment, and a data software system to be used by school nurses for surveillance of illness in the schools.

b. A request for the Board to approve an amendment to Section 28-201 of the County Personnel Code to move detailed language regarding the Family and Medical Leave Act from the Personnel Code to an administrative policy. Assistant Manager Worsley explained that General Statutes require that all Board members be present to vote on an ordinance amendment which does not require a public hearing and because Commissioner Hunsucker was absent from this meeting, this amendment will not be adopted until a second reading of the proposed amendment takes place at the Board's February 21, 2011, meeting. The Family and Medical Leave Act of 1993 (FMLA) was enacted for the purpose of allowing employees to balance family life and work by letting them take up to 12 work weeks of unpaid leave for certain family events and medical reasons. The Act was amended in 2008 and 2010 to expand the definition of who qualifies for this leave and the particular events that are covered by the Act. In addition, the federal regulations that interpret the Act and its amendments continually provide new interpretations with which the County must comply. The County's FMLA policy is currently located in the County's Personnel Code and, therefore, each time the Act is amended or a regulation is changed, a code amendment must be presented to the Board of Commissioners. In order to more efficiently keep FMLA policy updated, Human Resources recommends that the detailed FMLA language be removed from the Personnel Code and placed in an administrative policy that may be quickly updated as needed. The detailed language currently in the Personnel Code would be replaced with language that acknowledges the County's intent to comply with FMLA and any relevant and applicable amendments and regulations. The proposed ordinance amendment to be adopted on February 21, 2011 reads as follows:

ORDINANCE 2011-

BE IT ORDAINED that the Catawba County Code of Ordinances, Chapter 28 - Personnel, Article VI - Employee Benefits and Services, Section 28-201 – Family and Medical Leave Act is hereby amended to read as follows:

Sec. 28-201. Family and Medical Leave Act.

(a) Catawba County is sensitive to the needs of employees in balancing the demands of work, personal and family health and the needs of service men and women. As such, it is the policy of the county to comply with the relevant and applicable provisions of the Family and Medical Leave Act (FMLA), as amended.

(b) Requests for FMLA leave should be submitted to the Catawba County Human Resources department. For policy guidelines, refer to the County's Intranet or contact the Human Resources department.

This the day of February, 2011.

c. A request for the Board to appropriate Department of Homeland Security (DHS) grant funds in the amount of \$150,000. A core mission of the DHS is to enhance the ability of state, local and tribal governments to prepare, prevent, respond to, and recover from terrorist attacks and other disasters. The Homeland Security Grant Program is a primary funding mechanism for building and sustaining national preparedness capabilities. North Carolina manages this program's process through nine Domestic Preparedness Regions. Catawba County is part of Domestic Preparedness Region 7 (DPR-7) which also includes Cabarrus, Cleveland, Gaston, Iredell, Lincoln, Mecklenburg, Rowan, Stanley and Union counties.

The North Carolina Department of Crime Control and Public Safety received a DHS grant for transfer switches to be installed at critical infrastructure sites in DPR-7. This project will allow those designated within DPR-7 to choose a critical infrastructure site for installation of an automatic transfer switch, which is capable of connecting to mobile emergency generators strategically located throughout the region. This addresses a DPR-7 critical infrastructure weakness identified in a 2008 Capability Assessment Program. Catawba County will serve as host county and subcontract with each jurisdiction authorized to receive a switch. This grant will fund the entire cost of the project. No additional County funds are needed.

d. A request for the Board to appropriate \$6,000 in Assistant Secretary for Preparedness and Response (ASPR) Grant funds to purchase Tyvex chemical suits. The Office of the Assistant Secretary for Preparedness and Response (formerly the Office of Public Health and Emergency Preparedness) was created following Hurricane Katrina, to assist jurisdictions to prevent, prepare for, and respond to adverse health effects of public health emergencies and disasters. ASPR grants are offered periodically with the intent of strengthening the capabilities of hospitals and health care systems in public health emergencies and medical disasters. The State of North Carolina received an ASPR grant and distributed grant funds to Regional Trauma Committees to fund regional projects and State Medical Assistance Teams. Each Type III State Medical Assistance Team was awarded \$6,000 to help offset ongoing equipment and training costs associated with the team.

Catawba County EMS's State Medical Assistance Team is fully deployable with 29 members. The team is trained and equipped to provide rapid mass triage, mass patient decontamination, and support for responder health, safety, and rehabilitation at the local, regional, state and national level. Catawba County EMS's State Medical Assistance Team submitted a proposal to purchase personal protective equipment in the form of Tyvex Level C chemical suits. Personal protective equipment such as chemical protective clothing has limited shelf-life and often cannot be reused. Catawba County's Team also routinely trains and participates in exercises that require the use of equipment and supplies. For these reasons, certain equipment must be replaced in order to ensure that team members are adequately protected in the event of a response. This grant will fund the entire cost of the equipment. No appropriation of County funds will be necessary

Chair Barnes asked if any Commissioner desired to have an item broken out of the consent agenda for individual consideration. None was requested. Commissioner Beatty made a motion to approve the consent agenda. The motion carried unanimously.

10. Departmental Reports:

Economic Development Corporation.

Nathan Huret, Existing Industry Coordinator, Economic Development Corporation came forward to request the Board approve economic incentives for an expansion project of Sarstedt, Inc.. Mr. Huret first noted that he wanted to thank retired State Representative Warren, who had been recognized at the beginning of the meeting, for his efforts in the economic development of the area. The Sarstedt project would cause \$5.6 million in new real property and \$8.6 million in new personal property investment to locate at the Newton facility. The investment will enable the company to stay competitive globally by introducing new machinery, transfer more production to the United States from the parent company in Germany, and allow for development of new product lines in the U.S. Sarstedt, Inc. is a global medical supply manufacturer that was founded in 1961 and currently employs 2,500 people worldwide. Sarstedt is a world leader in the development, manufacture and sales of equipment and consumables in the fields of medicine and research. Sarstedt's 205

employees in Newton exclusively manufacture tissue culture products for universities, research centers, the federal government and veterinary offices.

To meet production demand, Sarstedt plans construction of a new 50,000 square foot distribution warehouse including a high bay automated storage and retrieval system. The project will also include renovation of Sarstedt's existing warehousing, adding 50,000 square feet and equipment to Sarstedt's current production capabilities. Sarstedt plans to create a minimum of 20 new jobs. The new employees will earn a minimum of 130% of the estimated hourly entry wage for all Catawba County occupations (\$11.54 an hour), as reported by the N.C. Employment Security Commission.

Based on the conditions of a total new investment of \$14.2 million and creation of 20 new jobs, Sarstedt's enrollment and participation in the Education Matters program and adherence to all North Carolina general statutes, a County incentive will be in the form of a performance based grant with a maximum payment of \$37,985 per year for three years (a total maximum incentive of \$113,955) upon approval of a contract and the satisfaction of conditions of that contract. This amount was derived by determining the guaranteed investment and subsequent income stream to the County over a three year period and multiplying that figure by 50%. The ad valorem tax receipts on \$14.2 million equal \$227,910 over three years. This investment will net a positive payback to the County immediately, similar to paybacks used to determine incentives in other County projects. Like all incentives provided by the County, these incentives will be based on a contractual performance agreement which requires Sarstedt to meet minimum thresholds of investment and job creation each year prior to incentive payment by the County. Repayment would be required should the investment and/or job creation amounts not be sustained. Commissioner Isenhower asked a general question, not specific to these incentives, on how the job generation and retention was verified. Mr. Huret indicated that it was an annual process and the requirements verified by the company. Commissioner Isenhower then asked County Attorney Debra Bechtel if the contracts included audit authority and Ms. Bechtel confirmed that they did. Chair Barnes noted that the jobs would pay above the average wage for Catawba County. Vice-Chair Lail made a motion to approve an economic grant which upon payment of ad valorem taxes by the Sarstedt to the County, the County would, within sixty days after receipt of proof of such payment, pay to Sarstedt an economic development incentive in an amount equal to 50 percent of the total tax revenue received by the County attributable to all improvements made by Sarstedt and certified by Sarstedt as required during calendar year one through three, up to a maximum amount of \$37,985 per year or \$113,955 total. This grant would be paid to the company in installments over three years and would be used to reimburse Sarstedt's expenditures as eligible under NC General Statute 158-7.1(a). Sarstedt would be required to create 20 new jobs of at least \$11.54 per hour and participate in the Education Matters program as a condition of these incentives. The motion carried unanimously.

11. Other Items of Business:

2009/10 Goals Performance Summary.

Chair Barnes presented a summary of the actions taken to achieve the Board's goals for Fiscal Year 2009-2010. These goals included: (1) Continue strategies to create jobs through educational opportunities to make sure the workforce is trained for tomorrow's jobs and invest in infrastructure and development of the county's quality of life. Remain aggressive in recruiting most favored businesses to the area, and developing a multi-jurisdictional business park. Continue implementation of FORESIGHT; (2) Prepare a Fiscal Year 2009-2010 budget which maintains services and momentum as much as possible in light of economic uncertainty and with no countywide property tax increase. Examine planned investments and expenditures in light of the fact that it might be a good time to build but not a good time to borrow funds for building and make sure we have the necessary funds to run required services such as health, safety, and education; (3) Continue customer service emphasis in all departments. Focus on communications efforts with citizens so citizens know what is going on in County government; (4) Begin implementation of court/judicial recommendations to improve the justice system and plan for needed additional space, and (5) Promote the EcoComplex for environmental and economic development purposes with

special emphasis on research potential, including alternative fuels. Develop a program to market the EcoComplex to the public and region – its purpose, value, etc.

The Board's goal to create jobs through educational opportunities is being fulfilled through growth and new initiatives of Catawba Valley Community College (CVCC) and the regional concept of the Appalachian State University Greater Hickory Partnership coordinating centers at Caldwell Community College, Western Piedmont Community College and the North Carolina Center for Engineering Technologies. In preparing the FY2010-11 budget, the Board considered the significant increase in enrollment at CVCC, as more unemployed citizens need training, as well as additional expenses arising from the increased enrollment. In response to this increased demand and expense, and in keeping with the Board's goal to create jobs through educational opportunities, it increased funding allocated for CVCC's current expense by \$217,068, for a total current expense of \$3,617,068. Catawba County became a gold level member of the Champions of Education's Education Matters. This initiative has resulted in 88 county employers, with 17,000 employees, committing to hire based on at least a high school diploma or GED and encourage involvement in educational activities.

The Board participated in several economic development initiatives over the last two years. In fiscal year 2009-2010, 1495 jobs were created in Catawba County and 702 jobs were retained. This includes a Fiserv call center in Hickory, the new Target distribution center and a major consolidation of Ethan Allen's operations at its facility in Maiden. The Board was successful in initiating \$1.027 billion in new investment with the construction of the new Apple facility and expansion of existing businesses within the county. The job creation figures stated above do not include a State-estimated 2750 construction jobs for the Apple project alone.

With Apple purchasing the entire 183 acres proposed for the WestStar Mission Critical Business Park/Multi-Jurisdictional Park near Highway 321, a Letter of Intent has been signed with the cities of Hickory and Conover and the towns of Maiden and Catawba for the development of a multi-jurisdictional business/industrial park off Interstate 40. The site is under development, pending acquisition of a right-of-way for an access road and bridge.

The Fiscal Year 2009-2010 County budget included no countywide property tax increase for the second consecutive year and decreased operating expenses by 4%, while maintaining service levels despite increased service demands brought on by the recession. This was accomplished through more than \$7 million in cuts that effected 39 positions, through a reduction in hours or by being frozen for a period of time in the last fiscal year. The Board succeeded in saving over \$4 million in interest costs by utilizing unique funding opportunities that became available due to the economic downturn. By proceeding with construction projects during the downturn, the Board also succeeded in contracting projects at lower prices than previously bid.

Catawba County provides a comprehensive program of communications and public information. While it continues to use traditional media such as newspapers, radio and television, as well as one-on-one interaction with citizens via talks with civic groups and a class on county government, the County is also using the most modern internet-based tools. These include one of North Carolina's first county government web sites and Facebook page, Twitter, video programming through You Tube and photo sharing through Flickr and blogs. The Catawba County Public Information Office continues to provide a program of public information, to keep citizens informed of important county government initiatives and action through news releases, a radio program, newspaper columns, Charter Communications' Government Access cable television channel, a twice monthly e-newsletter and the County's website at www.catawbacountync.gov.

Based on the recommendations of a Justice Center Renovation and Expansion Committee and a Public Safety Facility Committee, the Board awarded an architectural service contract for both projects and determined it would be in the best interest of the County to combine a Public Safety Facility and the Justice Center Expansion under one roof. With the hiring of a Court Improvement Facilitator, court processing procedures have been reviewed and backlogs identified and reduced. The County's investment in a new mobile multimedia system for the courtrooms has been met with

appreciation by judges and attorneys and has resulted in a substantial decrease in trial length, in at least one trial thus far.

In addition to the marketing opportunities resulting from national exposure achieved by being featured on CNN, the EcoComplex has expanded its research potential by partnering with Appalachian State University for a biodiesel education and research facility and with the University of North Carolina at Charlotte for research on alternative technologies and business practices to reduce landfill operating costs and waste volume, and improve waste processing.

12. Attorney's Report: None.
13. Manager's Report.
Assistant County Manager Worsley requested the Board consider moving into closed session pursuant to North Carolina General Statute (NCGS) 143-318.11(a)(4) to discuss matters relating to the location or expansion of industries or other businesses in the area served by the public body, including agreement on a tentative list of economic development incentives that may be offered by the public body in negotiations. Mr. Worsley stated he did not anticipate any action upon return to open session. Commissioner Isenhower made a motion to move into closed session pursuant to NCGS 143-318.11(a)(4). The motion carried unanimously. The Board moved into closed session at 10:18 a.m. The Board returned to open session. No other action was taken.
14. Adjournment: Commissioner Lail made a motion to adjourn. The motion carried unanimously. The meeting adjourned at 10:34 a.m.

Katherine W. Barnes, Chair
Catawba County Board of Commissioners

Barbara E. Morris
County Clerk